

**STATEMENT OF INMATE MEDICAL BENEFITS
SUBJECT TO THE TERMS AND CONDITIONS
STATED HEREIN
(STATEMENT OF BENEFITS)**

Benefits for an Eligible Inmate are determined by the Eligible Inmate's classification and by the terms of this Statement of Benefits.

INMATE MEDICAL BENEFITS INCLUDE:

Inpatient Hospitalization;
Outpatient Surgical Center Surgery and/or Facility Charges;
Emergency Room Charges, if immediately followed by Inpatient admission;
Physicians' & Surgeons' fees while inmate is an Inpatient or Outpatient;
Anesthesiologists & Radiologists charges;
Nurses charges;
Diagnostic x-ray & laboratory services;
Dressings, drugs, & medicines dispensed in a Hospital or Outpatient facility;
Rehabilitative Care (inpatient only)
Custodial Care (inpatient only)

Named County:

Address:

City, State Zip Code:

Effective Date:

The first payment of premium is due and payable on or before the Effective Date shown above, and all other premiums are due by the last day of the month following the previous month of coverage while the coverage is in force.

Montana Association of Counties

Named County

Signed at: _____

Date: _____

By: _____

Title: _____

DEFINITIONS

AIDS means Acquired Immune Deficiency Syndrome, as that term is currently defined by the United States Centers for Disease Control.

ARC means AIDS Related Complex, reflected lymphadenopathy involving at least two extra inguinal sites for at least three months duration in the absence of any current illness or drugs known to cause lymphadenopathy.

CUSTODIAL CARE means care primarily designed to assist the claimant in activities of daily living.

DAY PASS means a status of inmate whereby the inmate leaves the Jail or Workhouse facility to work away from the Jail or Workhouse facility and is not being guarded while away, and the inmate is required to return to the Jail or Workhouse facility after work.

ELIGIBLE INMATE(S) means each person(s) who is arrested by a designated licensed authority and officially delivered into the care, custody and control of a County Jail/Workhouse; provided, however, Eligible Inmates do not include any person for whom the County is not solely financially responsible. The inmate will remain an "Eligible Inmate" up until the date of discharge from incarceration as designated by the appropriate governing body or any date earlier as seen fit by such governing body. Eligible Inmates include among others: pre-trial misdemeanants, pre-trial felons, and convicted misdemeanants. The inmate will cease to be an Eligible Inmate as of the date of discharge from incarceration from a County Jail/Workhouse, even if such date of discharge occurs while the inmate is hospitalized. Day Pass will be covered.

EMERGENCY MEDICAL means a medical condition manifesting itself by acute signs or symptoms which could reasonably result in placing the person's life or limb in danger if medical attention is not provided within 24 hours.

EXPERIMENTAL PROCEDURE means any medical procedure, equipment, treatment or course of treatment, or drugs or medicine that is (1) meant to investigate and is limited to research; (2) not proven in an objective manner to have therapeutic value or benefits; (3) restricted to use at those centers capable of carrying out disciplined clinical efforts and scientific studies; and (4) medically questionable as to effectiveness. **Experimental drug** means any drug or medicine that has not been approved by the United States Food and Drug Administration for the purpose for which it has been administered.

HIV POSITIVE means laboratory evidence defined by the United States Centers for Disease Control as being positive for human immunodeficiency virus infection.

HOSPITAL means a place which meets all of the following requirements:

- 1) is accredited as a general or specialty Hospital by the Joint Commission on Accreditation of Hospitals;
- 2) is open at all times;
- 3) is operated chiefly for the treatment of sick or injured persons as Inpatients;
- 4) has a staff of one or more Physicians available at all times;
- 5) provides 24 hour nursing services by Registered Nurses (R.N.s);
- 6) includes areas designed for diagnosis and major Surgical Procedures, or, if it is chiefly a place for the treatment of mentally handicapped persons, has an agreement with a Hospital to perform Surgery which may be required; and
- 7) is the nearest facility that can provide the level of medical care required.

DEFINITIONS (Continued)

The term hospital does not include:

- 1) a convalescent facility, nursing home, rest home, or Skilled Nursing Facility; or
- 2) a facility chiefly operated for treatment of the aged, drug addicts, or alcoholics.

JAIL means a county incarceration facility that is a secure place for keeping people found guilty of minor crimes, as defined by state law, or awaiting legal judgment.

ILLNESS means a sickness or disease. Illness does not include Pregnancy (unless elected in the Schedule of Coverage), learning disabilities, attitudinal disorders or disciplinary problems.

INJURY means an accidental, unforeseen event resulting in bodily Injury.

INPATIENT means a person who is an overnight resident of a Hospital, using and being charged for room and board.

INTENSIVE CARE UNIT means a Cardiac Care Unit or other unit or area of a Hospital which meet the required standards of the Joint Commission on Accreditation of Hospitals for Special Care Units.

INVASIVE means a surgical or diagnostic procedure performed by inserting something into or operating on the body through an incision or natural orifice.

MEDICALLY NECESSARY means a service, medicine or supply which is necessary and appropriate for the diagnosis or treatment of an Illness or Injury based on generally accepted current medical practice. A service, medicine or supply will not be considered Medically Necessary if it;

1. is provided only as a convenience to the patient or provider;
2. is not appropriate for the patient's diagnosis or symptoms;
3. exceeds (in scope, duration or intensity) that level of care which is needed to provide safe, adequate and appropriate diagnosis or treatment.

MENTAL OR NERVOUS DISORDER means a mental or emotional disease or disorder that is listed in the current edition of the Diagnostic and Statistical manual for Mental Disorders of the American Psychiatric Association and denotes the following:

1. a disease of the brain with predominant behavioral symptoms;
2. a disease of the mind or personality, evidenced by abnormal behavior;
3. a disorder of conduct evidenced by socially deviant behavior.

OFFSITE means not within the confines of the County Jail/Workhouse.

ORGAN TRANSPLANT PROCEDURES means kidney, cornea, heart, lung, heart-lung, liver, pancreas and bone marrow transplants.

OUTPATIENT SURGICAL CENTER means any public or private establishment which:

- 1) has a staff of Physicians;
- 2) has permanent facilities that are equipped and operated primarily for the purpose of performing Surgical Procedures;
- 3) provides continuous Physician and nursing services while patients are in the facility; and
- 4) is licensed by the state in which it resides.

DEFINITIONS (Continued)

OUTPATIENT SURGICAL SERVICES means an Eligible Inmate who has surgical services rendered at a Outpatient Surgical Center and is discharged within 24 hours of admission.

PHYSICIAN and PHYSICIAN SERVICES means a person duly licensed or certified by the State to treat the type of Injury or Illness for which a claim is made and who is practicing within the scope of his/her license.

PREGNANCY means the physical condition of being pregnant, including complications of pregnancy.

REASONABLE AND CUSTOMARY means the usual charge made by a group, entity or person who renders or furnishes covered services, treatments or supplies; provided the charge is not in excess of the general level of charges made by others who render or furnish the same or similar services, treatments or supplies to persons; (1) who reside in the same geographical area (as determined by CMS Guidelines); and (2) whose Illness or Injury is comparable in nature and severity.

In determining whether a charge is Reasonable, one or more of the following factors may be considered:

1. the level of skill, extent of training and experience required to perform the procedure or service;
2. the length of time required to perform the procedure or service as compared to the length of time required to perform other similar services;
3. the severity of the nature or Illness or Injury being treated;
4. the amount charged for the same or comparable services, medicines or supplies in other parts of the country;
5. the cost to the provider of providing the service, medicine, or supply.

REGISTERED NURSE means a graduate nurse who has been registered or licensed to practice by a State Board of Nurse Examiners or other state authority, and who is legally entitled to place the letters "R.N." after his/her name.

REHABILITATIVE CARE means care for restoration (by education or training) of one's ability to function in a normal or near normal manner following an Illness or Injury. This type of care includes, but is not limited to, physical therapy, occupational therapy, and speech therapy.

SUBSTANCE ABUSE means alcohol, drug or chemical abuse, overuse or dependency

SURGERY OR SURGICAL PROCEDURES means;

- I. an Invasive diagnostic procedure; or
- 2.the treatment of an Illness by manual or instrumental operations performed by a Physician while the patient is under general or local anesthesia.

WORKHOUSE means a county incarceration facility where inmates perform work duties assigned to them by the government authorities in charge of the facility which is a secure place for keeping people found guilty of minor crimes, as defined by state law, or awaiting legal judgment.

EXCLUSIONS

Inmate Medical Benefits Do Not Include:

- 1) Expenses for which the County is not legally obligated to pay
- 2) Expenses not incurred by the County in respect of an Eligible Inmate.
- 3) Expenses not administered or ordered by a Physician.
- 4) Expenses not Medically Necessary for the diagnosis or treatment of an Injury or Illness.
- 5) Any expenses excluded or limited by this Statement of Benefits, or any schedule or endorsements.
- 6) Any expenses provided at no cost to the County.
- 7) Any expenses resulting from any medical care or treatment administered in a County jail or workhouse or correctional facility.
- 8) Expenses of litigation.
- 9) Any and all expenses which are recoverable from, or attributable to, any other medical or hospitalization benefit policy or insurance including Medicare or State sponsored insurance plan.
- 10) Expenses for Experimental Procedures, drugs, or research studies, or for any services or supplies not considered legal in the United States or not approved by the FDA.
- 11) Expenses incurred for organ donations.
- 12) Expenses resulting from an Injury or Illness that is the result of a nuclear or radioactive accident or natural disaster.
- 13) Expenses which are incurred after the Eligible Inmate has been released from custody or control of correctional authorities.
- 14) Expenses for treatments of Mental or Nervous Disorders (unless elected in the Schedule of Coverage).
- 15) Expenses related to any program for the treatment of Substance Abuse.
- 16) Expenses/wages for, or in connection with, providing security or guarding any Eligible Inmate while an Inpatient or Outpatient in an accredited Hospital or Outpatient Surgical Center or Physician's office (unless elected in the Schedule of Coverage).
- 17) Medical Expenses for treatment of an Injury resulting from, or in connection with, providing security or guarding any Eligible Inmate (unless elected in the Schedule of Coverage). The medical treatment of Injuries sustained by the Eligible Inmate as a result of the Eligible Inmate needing to be restrained or controlled will not be excluded so long as it can be shown that only reasonable force was exercised by law enforcement personnel.
- 18) Expenses in connection with dependent care.
- 19) Expenses for the treatment of AIDS, ARC or HIV (unless elected in the Schedule of Coverage).

EXCLUSIONS (Continued)

- 20) Expenses for:
 - a. weight modification, or surgical treatment of obesity, including wiring of the teeth and all forms of intestinal bypass Surgery
 - b. breast reduction or augmentation.
 - c. sex / gender changes.
- 21) Expenses for services that are solely cosmetic or aesthetic.
- 22) Expenses for any drug, treatment or procedure that either promotes or prevents conception or prevents childbirth, including but not limited to:
 - a. artificial insemination;
 - b. treatment for infertility or impotency;
 - c. sterilization or reversal of sterilization;
 - d. abortion (unless the life of the mother would be endangered if the fetus was carried to term).
- 23) Expenses for vocational or recreational therapy or vocational rehabilitation.
- 24) Expenses due to Pregnancy (unless elected in the Schedule of Coverage).
- 25) Expenses for care of newborn infants.
- 26) Expenses for preventative care, including routine physical examinations, premarital examinations and educational programs.
- 27) Expenses for marriage, family or child counseling.
- 28) Expenses in connection with any Eligible Inmate who is in the custody of County Jail/Workhouse on the effective date of the Statement of Inmate Medical Benefits and is hospitalized on or within 72 hours of the effective date.
- 29) Any payment of, or on account of, punitive or exemplary charges.

SCHEDULE OF COVERAGE

Named County:

The following optional coverages remain excluded as stated in the Exclusions Section unless clearly marked as selected below.

Coverage for treatment of Mental or Nervous Disorders is: _____Selected

Coverage for treatment of AIDS, ARC, or HIV is: _____Selected

Coverage for treatment of Pregnancy is: _____Selected

Coverage for 50% of the cost of guarding an Inmate by a Sheriff's Deputy(ies) during covered medical treatment when guarding is required by the Inmate's behavioral and medical circumstances is: _____Selected

Unified Deductible & Maximum Reimbursement

Members of the Montana Association of Counties (MACo), who participate in the Inmate *Excess* Medical Insurance program through MACo, will have the benefit of:

- A Unified Deductible with other member participating counties who are presented claims on the same inmate within the same policy year (see footnote a) (please see Example #1A and Example #1B);
- A Prorated Reimbursement with other member participating counties who are presented claims on the same inmate within the same policy year (see footnote a) (please see Example #2)

Example #1A: Inmate Smith is arrested and jailed in County A (a MACo participating member) and has a \$5,000 net medical claim. Inmate Smith is released by County A, subsequently arrested and jailed in County B (a MACo participating member), and has a \$7,500 net medical claim. Both medical claims occur in the same policy year and both County A and County B, are members of the Montana Association of Counties, and have purchased Inmate Excess Medical Insurance. The deductible for Inmate Smith has been satisfied.

Example #1B: Inmate Smith is arrested and jailed in County A (a MACo participating member) and has a \$5,000 net medical claim. Inmate Smith is released by County A, subsequently arrested and jailed in County C, and has a \$7,500 net medical claim. Both medical claims occur in the same policy year. Only County A has purchased Inmate Excess Medical Insurance. In this example, the deductible for Inmate Smith has NOT been satisfied since County C has not purchased Inmate Excess Medical Insurance. Neither county would receive a reimbursement.

Example #2: Using Example #1A. The total net medical claim for Inmate Smith is \$12,500 and was incurred and paid in the same policy year. Both Counties are MACo members and are purchasers of Inmate Excess Medical Insurance. The reimbursement of \$2,500 (\$12,500 less \$10,000 deductible) would be on a pro-rated basis between County A and County B based on the total net claim. County A would receive reimbursement of \$1,000 ($5,000/12,500 \times 2,500$). County B would receive a reimbursement of \$1,500 ($7,500/12,500 \times 2,500$).

(Footnote a) Policy Year: In the event County A and County B have different policy effective dates, the county with the earliest effective date will take precedence. Example: County A's effective date is December 01, 2008 and County B's effective date is February 01, 2009. The policy period for Example A would be December 01, 2008 to November 30, 2009.

Montana Statutes

Section 7-32-2245 establishes the duty to provide for inmate medical care and makes the County responsible in the event that the inmate is unable to pay. Section 7-32-2245 provides:

Payment of confinement and medical costs by inmate.

- 1.) An inmate found by the sentencing court to have the ability to pay is liable for the costs, including actual medical costs, of the inmate's confinement in a detention center. The rate for confinement costs must be determined in accordance with 46-18-403. Confinement costs, other than actual medical costs must be ordered by the court and must be paid in advance of confinement and prior to payment of any fine.
- 2.) If an inmate requires medical treatment, the inmate is responsible for medical costs associated with:
 - a. Preexisting conditions;
 - b. Self-inflicted injuries while in custody;
 - c. Injuries incurred while in custody if the injuries are not the result of negligent or intentionally torturous acts committed by the detention center administrator or a member of the administrator's staff;
 - d. Injuries incurred during the commission of a crime or while unlawfully resisting arrest or attempting to avoid an arrest; and
 - e. Any other injuries or illnesses that are not the responsibility of other entities as provided in 7-32-2224 and 7-32-2242(3).
- 3.)
 - a. If an inmate is found to be able to pay for the inmate's medical costs, as provided in subsections (1) and (2), the health care provider who treats the inmate shall collect the cost of the treatment from the inmate or the detention center administrator may arrange with the health care provider to pursue reimbursement from a third-party payor for the services provided.
 - b. If the health care provider is unable to collect from the inmate or third-party payor within 120 days from the date of the service, the county is responsible for reimbursing the health care provider for the services at:
 - I. the Medicaid reimbursement rate or at a rate that is 70% of the provider's customary charges, whichever is greater; or
 - II. a negotiated rate.
 - c. If the health care provider is reimbursed by the inmate or the third-party payor after the provider has been reimbursed by the county, the provider shall refund to the county the amount that the provider had been paid by the county for the services provided to the inmate.
- 4.) Inability to pay may not be a factor in providing necessary medical care for an inmate.
- 5.) This section does not restrict an inmate's right to use a third-party payor.
- 6.) If a city or town is the arresting agency and commits a person to the detention center of the county in which the city or town is located, the inmate is responsible for the inmate's medical expenses and the provisions of this section apply.

ADMINISTRATION OF CLAIMS

1. The County shall undertake at all times to employ the services of an Administrator, who shall be deemed the agent of the County.
2. The Administrator, acting on behalf of the County, shall:
 - a. supervise the administration and adjustment of all claims and verify the accuracy and computation of all claims;
 - b. maintain accurate records of all claims payments;
 - c. provide the County on or before the 15th day of each and every policy month, on a reporting form supplied by the County, the following data for the immediately preceding policy month:
 1. Number of Eligible Inmates
 2. Amount of paid claims
 3. Premium paid
 4. Amount of unpaid processed claims on hand
 - d. provide case management to appropriately manage the care of all Inpatient services and if requested by the County, allow the County to participate in the managed care.

The County shall be responsible at their own cost and expense for the investigations, settlement or defenses of any claims made or suit brought or proceedings instituted against the County.